

Risks of Farming for Young Adults

— A Case of Farmers in Yilan and Hualien Regions¹

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Abstract

Members of the farming population, which exhibits diverse demographics, handle risks in various ways. To understand the differences among various types of risk attributes, this study designed a questionnaire on the basis of five dimensions of risk—namely production risk, sales risk, financial risk, organizational risk, and man-made risk. Through item analysis, 13 discriminative assessment indicators were selected. The questionnaire was distributed to groups of people using the communication software LINE. Convenience sampling was conducted to survey members of the Young Farmers Association in Hualien and Yilan. A total of 136 valid responses were collected. Based on different assessment indicators, a cluster analysis was employed to divide the respondents into three types, namely the proactive type, the exploring type, and the avoidant type. Analysis of variance on the five risk dimensions revealed significant differences among the three types of respondents. Also, respondents of different types differed significantly in terms of their occupation and the amount of working capital in the last 3 years. Specifically, compared with the other two types, a higher proportion in the exploring type respondents were part-time farmers. By contrast, respondents of the proactive type had the highest working capital in the last 3 years, and they had the highest total score for risk tolerance. The research results of this study may serve as references for agricultural policy units and related coaching agencies to classify and assess farmers before coaching them and develop suitable support schemes according to the classification results.

Keywords: farming risk, risk type, young farmers, Hualien, Yilan.

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